



Rialtas Áitiúil Éireann
Local Government Ireland

Advance Purchase Arrangements for Turnkey Properties for Affordable and Mixed Tenure Housing

A brief guide for home builders and
housing developers - Stage 2 process



Rialtas na hÉireann
Government of Ireland



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1. Introduction

'Housing for All - a New Housing Plan for Ireland' is the government's housing plan to 2030.

It is a multi-annual, multi-billion euro plan which will improve Ireland's housing system and deliver more homes for people with different housing needs.

It is an objective of Limerick City and County Council to create sustainable communities by encouraging a mix of mixed tenure (i.e. affordable and social) and mono tenure (i.e. affordable or social) housing.

Limerick City and County Council is seeking to increase the availability of affordable and social housing through various delivery mechanisms including through advance purchase arrangements with home builders and housing developers.

Completed units must:

- comply with current planning building regulations
- be provided with new home structural guarantee i.e. Homebond/Premier

For completed units, applicants must be in a position to provide the following:

- Design Certifier Requirements
- Assigned Certifier Requirements
- Design Team Collateral Warranties

Applicants should note that this process by its nature is excluded from public works procurement requirements. However, Limerick City and County Council will conduct the process in conformance with the principles of transparency and equal treatment.

Please refer to the Process Guide for Stage One in conjunction with this Process guide for Stage Two.

2. Submission Process

A two-stage process is in use. In the Stage One submission, information in relation to the proposed site location was sought. Only those submissions which are deemed acceptable to the Local Authority following evaluation of Stage One submissions will progress to the Stage Two submission and evaluation process.

If an application is made by a group/consortium, then it shall be treated as one application. The lead and all members of a group/consortium shall be clearly identified.

2.1 Stage Two Submission

At Stage Two, the following information must be submitted;

Ownership / Planning Status of the Lands:

- Details of ownership of the lands
- Details of planning permission status on the lands
- If a live planning permission exists, please confirm planning reference number and relevant time extension if any.
- Confirmation that units subject to application have not commenced

Project Information:

- Number and mix of units proposed, and density in phase or phases.
- Site location map of the Housing Scheme with the total site area noted.
- Site Layout Drawings:
 - Showing clearly the overall scheme layout. In the case of an unfinished housing development show clearly units completed, units unfinished and units not started, as applicable.
 - Showing clearly the details of site and boundary finishes, development density and % open space & parking provision.
 - Showing clearly the location of all local amenity services and public utilities and details of the proposed servicing of the site
 - Showing clearly the total number, location and mix of housing units being proposed under the Turnkey offer.
 - Dimensioned plans, sections, elevations of each house type proposed to include also a schedule of room areas and an overall floor area of each unit.

Schedule of materials and finishes:

- House outline specification including details of finishes, M&E fit-out and target performance BER.

Project Costings:

- Full and final price being sought for the units under offer should be set out clearly and the period within which the units remain under offer at that price should also be made clear.
- All-In Cost Details on the units the subject of the turnkey offer broken down between construction costs, land costs, technical fees, development/utility contributions, financing, marketing, sales cost, legal fees etc.
- A sample All in Cost Plan is attached for your information (Appendix 1)

NB Individual/Companies making a proposal should submit **their** most competitive asking price for the units being offered for sale.

Delivery:

- A detailed timeframe/programme for the delivery of the project from inception to completion and handover.
- A detail risk analysis should be provided.
- **Other Relevant information:**
- Other relevant information that the applicant considers appropriate.

2.2 Evaluation of Stage Two Submissions

Weighted criteria will be used to evaluate Stage Two submissions.

The criteria will be used to rank submissions and will be of particular importance where the number of submissions received exceeds the Council's requirements in a particular area:

The following eligibility criteria will be used to evaluate Stage Two applications on a pass/fail basis.

Criterion		Threshold	Pass / Fail
1	Ownership	Confirmation that applicant(s) must own or have a controlling interest in land subject to application. Land Registry Title documents must be submitted when requested.	
2	Planning Permission	Confirmation that planning permission is in place for development / units subject to application	
3	Commencement Status	Confirmation that units subject to application have not commenced.	
4	Tax Clearance	Confirmation that applicant / or a member of a group or consortium) / all parties associated / with the application are fully tax compliant in accordance with the requirements of the Irish Revenue Commissioners.	
5	Insurances	Confirmation of the following insurances can be put in place: <ul style="list-style-type: none"> • Employers Liability - €13,000,000 • Public Liability - €6,500,000 • Professional Indemnity - €1.0 million 	
6	Health and Safety	Confirmation of operation of health & safety systems and procedures in line with all relevant Safety Health & Welfare at Work legislative requirements.	
7	Minimum number of dwellings	Proposals must include a minimum of 10 dwellings. For the purposes of this criterion a proposal must consist of dwellings located on a single site / development and/or form a substantive element of a larger phased masterplan area.	
8	Location	Location of any proposal must be within an urban settlement area as defined by the CSO as a settlement of more than 1,500 people based on 2016 census data. Proposals for funding exceeding €50,000 must be located in a strategically important city or town with a population of over 10,000 or identified as a key town in the Regional Spatial and Economic Strategies (RSEs);	
9	Residential Density and Layout	Proposals must meet the net residential densities specified for the relevant site type, location and place typology in accordance with Sustainable Residential Development in Urban Areas, issued as statutory Guidelines for Planning Authorities in 2009, and any subsequent updates or further interpretations of those Guidelines as applicable.	
10	Unit cost ceilings	Unit cost ceilings apply to proposals for affordable homes.	

11	Affordability Gain	<p>Minimum 15% discount on open market values of comparable new build properties for affordable purchase proposals² with the benefit of the applied for AHF funding taken into account.</p> <p>Minimum 25% discount on open market rents of comparable properties for Cost Rental proposals³ with the benefit of the applied for AHF funding taken into account.</p> <p>² 15% minimum will be measured as a weighted average across the dwelling types included in the proposal.</p> <p>³ 25% minimum will be measured as a weighted average across the dwelling types included in the proposal.</p>	
12	Inclusion	<p>Proposals which contain more than 100 affordable dwellings, must include:</p> <p>a) A minimum of 5% of the dwellings must be reserved for older people or</p> <p>b) A minimum of 5% of the dwellings are reserved for people with disabilities or</p> <p>c) A minimum of 5% of the dwellings are reserved for members of minority groups such as the traveller community</p> <p>or a combination of the above cohorts</p>	

The following evaluation criteria will be used to evaluate Stage Two applications using the marking scheme below:

Proposals which meet the required Selection Criteria will be awarded marks based on the award criteria set out below. Only proposals which score a minimum of **55 marks** will be eligible for AHF funding.

Criterion		Measurement	Maximum Marks Available
1	Affordability Challenge	<p>Local authorities with higher levels of Affordability Constraint (AC) as assessed using HNDA analysis tool or equivalent level of demand demonstrated based on other verifiable data will be awarded higher mark.</p> <p>Marks will be awarded as follows:</p> <p>> 15% AC = 20 marks</p> <p>7.5 – 15% AC = 15 marks</p> <p>5 – 7.49 AC = 10 marks</p> <p>Less than 5% AC = 5 marks⁴</p> <p>⁴Applicable if a City has an Affordability Constraint of less than 5%.</p>	20
2	Residential Density	<p>Marks will be awarded as follows for proposals which are eligible for €100,000 in AHF funding:</p> <p>> 70/ha = 20 marks</p> <p>55 – 69.99/ha = 15 marks</p> <p>50 – 54.99/ha = 10 marks</p> <p>Marks will be awarded as follows for proposals which are eligible for €75,000 in AHF funding:</p>	20

		<p>45 - 50/ha = 20 marks</p> <p>40 – 44.99/ha = 15 marks</p> <p>35 – 39.99/ha = 10 marks</p> <p>Marks will be awarded as follows for proposals which are eligible for €50,000 in AHF funding:</p> <p>30 - 35/ha = 20 marks</p> <p>25 – 29.99/ha = 15 marks</p> <p>20 – 24.99/ha = 10 marks</p> <p>< 20/ha = 5 marks</p>	
3	Affordability Gain	<p>Proposals with higher affordability gains will be awarded higher marks.</p> <p>Marks will be awarded as follows for <u>Affordable Purchase</u> proposals:</p> <p>> 22.5% = 30 marks</p> <p>20 – 22.49% = 25 marks</p> <p>17.5 – 19.99% = 15 marks</p> <p>15 – 17.49% = 10 marks</p> <p>Marks will be awarded as follows for <u>Cost Rental</u> proposals:</p> <p>> 35% = 30 marks</p> <p>30 – 34.99% = 25 marks</p> <p>27.5 – 29.99% = 15 marks</p> <p>25 – 27.49% = 10 marks</p> <p>Where proposals include both affordable purchase and Cost Rental elements, each element will be marked separately and the marks awarded to the scheme will be a weighted average of the two marks taking account of the relative number of dwellings in each element.</p>	30
4	Deliverability	<p>Proposals will be required to provide confirmation of project status information.</p> <p>Proposals which can deliver housing sooner than others will be awarded higher marks.</p> <p>Marks will be awarded as follows:</p> <p>Delivery by 2022 = 20 marks</p> <p>Delivery in 2023 = 15 marks</p> <p>Delivery in 2024 = 5 marks</p> <p>Delivery after 2024 = 0 marks</p>	20
5	Inclusion Renewal and Innovation	<p>If a proposal is assessed as meeting the requirements of the Inclusion or Renewal definition it will be awarded 10 marks for meeting either requirement.</p> <p>If a proposal is assessed as meeting the requirements of the Innovation definition it will be awarded 5 marks</p> <p>The maximum marks that can be awarded under this criterion is 10 marks so a proposal which meets both requirements will still receive 10 marks.</p>	10

Inclusion

A proposal will be considered to have achieved the objective of inclusiveness if it includes one or more of the following:

- a) A minimum of 10% of the dwellings are reserved for older people
- b) A minimum of 10% of the dwellings are reserved for people with disabilities
- c) A minimum of 10% of the dwellings are reserved for members of minority groups such as the traveller community
- d) A minimum of 15% of the dwellings meet universal design requirements

Renewal

Local authorities who submit proposals which will meet an objective of renewing and enhancing existing town centres will be eligible to receive the additional 10 marks. For a proposal to be considered as renewing or enhancing an existing town centre it must be located at least partially on a previously developed brownfield site.

Innovation

Local authorities are encouraged to include social and or community innovation within their proposals. Any social or community innovation must go beyond what is required by planning conditions (e.g. a crèche required under planning will not be considered).

2.3 Change in Information from Expression of Interest stage

If, as a result of a change in circumstances or otherwise, any information given by an Applicant(s) to Limerick City and County Council, in the Expression of Interest, Stage two process or otherwise, was (when submitted) or has become (by reference to the facts as they then stand) untrue, incomplete or misleading, the Applicant(s) must so inform Limerick City and County Council as soon as it becomes aware of this. This includes but is not limited to when Limerick City and County Council becomes aware that the Applicant(s) may cease to be eligible for the reasons set out in the information submitted and/or declarations made by the applicants during the Expression of Interest stage.

If it comes to the attention of Limerick City and County Council that:

- (a) there has been a change in circumstances concerning an Applicant(s) that could affect Limerick City and County Council's assessment of that application; or
- (b) information submitted by an Applicant(s) was (when submitted) or has become (by reference to the facts as they then stand) untrue, incomplete or misleading

Limerick City and County Council may (but is not required to) revise their assessment of the submission on the basis of the information then available to Limerick City and County Council.

Limerick City and County Council reserves the right to seek from an Applicant(s) evidence of the Minimum Requirements, Forms & Declarations submitted during the Expression of Interest stage of the competition at any stage.

Limerick City and County Council will re-assess all eligibility and evaluation criteria (Stage 1 and Stage 2) prior to signing of the Development Agreement.

3. Contractual Arrangements

Where agreement is reached between the applicant and Limerick City and County Council on the scheme of development, a project specific Development Agreement will be required between the parties regarding the advance purchase of any affordable properties and will be determined by the particular characteristic of each development.

The conveyance of any social housing included in the proposal will be by way of a standard 'Contract for Sale', with a deposit payment of 10% being paid (in escrow) on execution of the contract. Please note that Part V of the Planning and Development Act 2000 as amended applies

The turnkey contract agreement is not and should not be construed as a building agreement or public works contract.

The acceptance of any proposal(s) by Limerick City and County Council shall be subject to the final agreement of satisfactory terms of contract with the developer and will also be subject to the availability of funding and the approval of the Department of Housing, Local Government and Heritage.

All costs and expenses incurred by applicants relating to and including the engagement of design consultants, securing planning permission, etc. is to be considered as 'work at risk' and no recovery of any costs from Limerick City and County Council will be entertained. Limerick City and County Council will have no financial liability prior to the signing of a contract.

Note: The successful applicants will, during the term of the Development Agreement, be required to:

- 1) Immediately advise Limerick City and County Council of any material change to its insured status;
- 2) Produce proof of current premiums paid upon request;
- 3) Produce valid certificates of insurance upon request.

4. Confidentiality

Limerick City and County Council will use its best efforts to hold confidential any information provided by applicants, subject to its obligations under law, including the Freedom of Information Act 2014. Limerick City and County Council will consult with applicants about sensitive information before deciding on any FOI request received. Similarly, Limerick City and County Council requires that all information provided pursuant to this invitation will be treated in strict confidence by applicants.

5. Irish legislation

Applicants must have regard to statutory terms relating to minimum pay and to legally binding industrial or sectorial agreements in formulating proposals.

6. Meetings

Limerick City and County Council reserves the right to meet with applicants if considered necessary, for the purposes of clarification of information received as part of the submission.

7. Conflict of interest

Any conflict of interest or potential conflict of interest on the part of applicants, individual employees, agents, or subcontractors of applicants must be fully disclosed to Limerick City and County Council, as soon as the conflict or potential conflict is or becomes apparent. In the event of any conflict or potential conflict of interest, the Local Authority may invite applicants to propose means by which the conflict might be removed. The Local Authority will, at its absolute discretion, decide on the appropriate course of action, which may in appropriate

circumstances, include eliminating applicants from the process or terminating any contract entered into by applicants.

8. Applicant exclusion

Applicant(s) or any parties associated with the application shall be excluded if, to Limerick City and County Council's knowledge at the time of the award decision, it has been convicted of an offence involving participation in a proscribed criminal organisation or corruption, fraud or money laundering.

Applicant(s) or any parties associated with the application shall may be excluded if s/he:

- is subject to a bankruptcy or insolvency procedure or process of a kind specified in Regulation 53, paragraph (5) of the European Communities (Award of Public Authorities' Contracts) Regulations 2006 or
- has been found guilty of professional misconduct by a competent authority that is authorised by law to hear and determine allegations of professional misconduct against persons that include the Applicant or has committed grave professional misconduct provable by means that the Local Authority can demonstrate or
- has not fulfilled an obligation to pay a social security contribution as required by a law of Ireland or the country or territory where the Applicant ordinarily resides or carries on business or
- has not fulfilled an obligation to pay a tax or levy imposed by or under a law of Ireland or the country or territory where the Applicant ordinarily resides or carries on business or
- has provided a statement or information to the Local Authority or another contracting authority knowing it to be false or misleading or has failed to provide to the Local Authority or another such authority, a statement or information that is reasonably required by the Local Authority or other authority for the purpose of awarding the public contract concerned.

9. Funding Support

It may be noted that various funding parties have been informed of this call for expression of interest.

Home Building Finance Ireland (HBFI) has advised of their interest in supporting affordable housing delivery. Funding may be available via the HBFI amongst other sources. Further information available at www.hbfi.ie

10. Queries

Queries can be made by submitting questions by email at affordable@limerick.ie or by phone to 061-557028

Any queries made that give rise to any new information or clarification, may be issued to all applicants depending on relevance. The identity of the applicant who raised the initial query shall not be disclosed to other interested parties.

11. Reference documents

The following documents may be of assistance to parties interested in making a submission under this call for proposals:

- Limerick County Development Plan 2010-2016 (<https://www.limerick.ie/council/services/planning-and-property/development-plans/county-development-plan-2010-2016>); Limerick City and County Development Plan 2022-2028 ([Material Alterations to Draft Limerick Development Plan 2022-2028 | Limerick.ie](https://www.limerick.ie/council/services/planning-and-property/development-plans/county-development-plan-2022-2028)).
- Quality Homes for Sustainability Communities and Delivering Homes Sustaining Communities, 2007 (<https://www.gov.ie/en/publication/60868-quality-housing-for-sustainable-communities/> & <https://www.opr.ie/wp-content/uploads/2019/08/2007-Delivering-Homes-Sustaining-Communities-Hsing-Policy-1.pdf>)
- Standard Specification for Materials and Finishes for Social Housing (<http://www.housing.old.gov.ie/housing/quality-housing-design-series/employers-requirements-detail-design-quality-housing-0>)
- Design Standards for New Apartments - Guidelines for Planning Authorities (http://www.housing.old.gov.ie/sites/default/files/publications/files/december_2020_-_design_standards_for_new_apartments.pdf)
- Guidelines for Planning Authorities on Sustainable Residential Development in Urban Areas (Cities, Towns and Villages) 2009 (<https://www.gov.ie/en/publication/a8c85-sustainable-residential-developments-in-urban-areas-guidelines-for-planning-authorities-may-09/>)
- Design Manual For Urban Roads and Streets, 2019 (<https://www.gov.ie/en/publication/3360b1-design-manual-for-urban-roads-and-streets/>)
- Building Control Regulations 1997 – 2015, as amended.

12. Disclaimer

Limerick City and County Council has prepared and issued this document for the sole purpose of inviting expressions of interest from potential vendors. This document does not purport to be, in any way, comprehensive in respect of all matters relevant to the Local Authority requirements.

Nothing in this document constitutes an offer to enter into a contract, or a commitment or representation to enter into a contractual arrangement. No legal relationship or other obligation shall arise between Limerick City and County Council and any interested party until formal legal agreements have been put in place and any deposit paid.

Limerick City and County Council reserves the right to withdraw its request for Expressions of Interest and to alter any aspect of it at its sole discretion.

Each completed Expression of Interest which is returned to Limerick City and County Council constitutes agreement to, and acceptance of, this disclaimer.

Sample Stage 2 brief and invitation to participate

Limerick City and County Council

Advance Purchase Arrangements for Turnkey Properties for Affordable and Mixed Tenure Housing Proposal

Stage 2 Submission Requirements

The following information must now be submitted to:

Limerick City and County Council
Housing Strategy and Non-LA Construction
Merchants Quay
Limerick
V94 EH90

Appendix 1

SAMPLE ALL IN COST PLAN

PROJECT:

Turnkey Acquisitions - All in Cost Plan

Description					Total €
1. Construction Costs					
Insert House type i.e. one bed apartment, 2 bed house etc.					
	Qty	Unit	Rate €	Total m2	Total €
Overall Total m2					
External Works/site development					
Demolition works					
Contractors Prelim/Margin					
Abnormal works [please specify]					
Total construction Costs					
Equivalent Rate per m2					
2. Development Costs					
Engineer, Arch, Site Mntr, Assgn Cert.					
Other Prof Fees: C&S, M&E, QS, Plnr					
Planning Levies					
Irish Water Levies					
Connection Charges: Water, Gas, Sewerage, ESB					
Security & Completion Bond					
Homebond Guarantee Scheme					
Legal Conveyance & Agreements Cost					
Sales & Marketing Costs					
Contingency					0
Financing @					0
Subtotal Costs					0
Developer Profit/Project Fee @ xx% profit on cost					0
Total Development/Construction Costs					0
Site Cost					
3. Value Added tax					
VAT at zero rates	0	%			0
VAT at reduced rate	13.5	%			0
VAT at standard rate	23	%			0
Total Development Cost					0

SAMPLE STAGE 2 MARKING SHEET

Evaluation of Turnkey affordable and mixed tenure submission – Stage 2 Marking sheet								
Fields to be completed by LA		Fields to be filled by Evaluation Panel						
	Application Details	Affordability Challenge 20 Marks	Residential Density 20 Marks	Affordability Gain 30 Marks	Deliverability 20 Marks	Inclusion Renewal & Innovation 10 Marks	Quantitative Marks (Minimum 55 to pass)	Comments
1								
2								
3								
4								
5								
Signed:								
Signed:								
Signed:								
Date								